



# Department of Justice



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Southern District of Indiana**

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FOR IMMEDIATE RELEASE

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## **SHELBYVILLE MAN CHARGED WITH \$1.6 MILLION BANK FRAUD, MONEY LAUNDERING AND TAX FRAUD**

### **PRESS RELEASE**

INDIANAPOLIS - John Keith Branam, 55, Shelbyville, Indiana, was charged yesterday in U.S. District Court with three federal crimes relating to his \$1.6 million embezzlement from a title insurance company in Shelbyville. Branam was charged with one count each of bank fraud, money laundering and filing false individual income tax returns, following an investigation by the Internal Revenue Service, Criminal Investigation Division, and the Shelbyville Police Department.

The information alleges that Branam was the office manager of King's Title & Abstract Company in Shelbyville, Indiana from 1996 until 2007, when he was terminated by the company. Branam was responsible for all operations of the Shelbyville branch of Kings Title, though he had no ownership interest.

Around 2004, Branam allegedly began embezzling money from Kings Title. Branam accomplished his embezzlement by using several fictitious business entities, including Branam Properties, Rocksolid Investments, and Kings. Branam opened bank accounts for each of these businesses in his own name, d/b/a the entity's business name. None of these entities were legitimate businesses; they were created by Branam solely for the purpose of embezzling money from Kings Title.

Branam originally had signatory authority over the Kings Title escrow account at J.P. Morgan Chase Bank. During that time, Branam either wrote Kings Title checks to his fictitious entity Branam Properties, or used Kings Title checks to purchase cashiers checks or official checks payable to Branam Properties. Branam then deposited those checks to his Branam Properties bank account and used the money for personal expenses. In early 2005, Branam was

removed as a signatory on the Kings Title bank account. Branam then continued to embezzle money from the company by getting an office employee (who had signature authority) to provide him blank signed checks. He represented to that employee (who knew nothing about the embezzlement) that he needed the checks to pay title company expenses and conduct title company business. Branam wrote, or caused to be written, Kings Title checks issued to one of his fictitious business entities. Branam then deposited the check to the fictitious business entity bank account and used the money for personal expenses. Branam also wrote, or caused to be written, Kings Title checks issued to various banks, then converted those checks to cashiers checks or official checks payable to one of his fictitious entities, then deposited those official checks to his fictitious entity bank account and used the money for personal expenses.

Branam fraudulently obtained a total of \$1,619,819.80 during the years 2004 thru 2007 (Count 1). He conducted numerous money laundering transactions over \$10,000 with the proceeds of the fraud (Count 2). He also failed to report any of the fraudulently received monies on his 2004 thru 2007 federal individual income tax returns, thus avoiding taxes of approximately \$360,000.00 over the four year period (Count 3).

According to Assistant U. S. Attorney Susan Heckard Dowd, who is prosecuting the case for the government, Branam faces a maximum possible prison sentence of 43 years and a maximum possible fine of \$1,500,000.00. An initial hearing will be scheduled before a U.S. Magistrate Judge in Indianapolis.

President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

An information is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.

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